

Name:

Enrolment No:



UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

Final Examination, Dec-2020

Course: Global Business Environment

Semester: III

Program: BBA (Foreign Trade)

Course Name: Global Business Environment

Code: INTB2001

Time: 03 hrs.

Max. Marks: 100

Instructions:

There are three sections.

SECTION A (Attempt all) :True and False

S. No.		Marks	CO
Q 1	a)The Indian labor laws are very liberal. b) Domestic borrowings are included in the capital a/c of BOP a/c.	5	CO1
Q 2	a)Remittances are included in trade a/c. b)India's foreign exchange reserves are mainly made of surplus trade a/c.	5	CO1
Q 3	a)Foreign direct investment (FDI) is invested in real businesses . b)Very high inflation rate is a sign of good health of economy.	5	CO1
Q 4	a)Being member to WTO gives assurances to foreign investors that the host country is disciplined . b) Trade-Related Intellectual Property Rights(TRIPs) ensures the protection about technology .	5	CO4
Q 5	a)Portfolio investment is made with long term commitments. b) As per mercantilism, export should be encouraged and import should be discouraged.	5	CO1
Q 6	a)Regional Trading Bloc is an added advantage for foreign investment as it ensures the extended market. b) In Free Trade Agreement , the member countries have common trade policy vis-à-vis to non-member countries .	5	CO4

SECTION B

Q 1	“ Indian labor laws are very stringent ”. Critically discuss.	10	CO2
Q2	What is the difference in absolute and comparative advantage theories of international Trade? With the help of below given matrix , calculate the relative prices and show whether it is profitable conduct trade for both countries. Productivity with 1 Labor Hours in Cloth Wheat	10	CO2

	US	India
Cloth	0.4	0.9
Wheat	0.5	0.6

Q3	What is the BOP a/c of a country ? How do you determine the external health of the economy through analyzing it. Discuss with a hypothetical BOP a/c.	10	CO2
Q4	What are the advantages and disadvantages of fixed and flexible exchange rates ? Show graphically the functioning of fixed exchange rate .	10	CO3
Q5	Which is a better way for globalization for a country like India: Regional Trading Bloc or Multilateralism . Critically discuss .	10	CO4
SECTION-C			
Q 1	<p>a) Assume yourself as a manager of a company wishing to invest outside the domestic economy. Critically discuss all the factors you are going to consider before finalizing you decision.</p> <p>b) “ COVID 19 pandemic started as a health crisis , which has turned now into economic crisis.” Critically discuss the statement with analyzing its impact sector-wise .</p>	20	C05